

CONCURRING OPINION IN ADVISORY OPINION 1982-27

of

COMMISSIONER FRANK P. REICHE

While I agree with the conclusion reached by the Federal Election Commission in Advisory Opinion 1982-27, my reasoning differs from that contained in the Opinion. Briefly stated, the Opinion permits the City of Dallas to establish a general promotion fund (the "Dallas Convention Fund") to attract convention business to Dallas including the Republican National Convention in 1984. Donations to the fund will come entirely from private sources, including, corporations. In its opinion the Commission has ruled that expenditures made by the City of Dallas from this fund for facilities and services in connection with the 1984 Republican National Convention would not constitute political contributions for purposes of the limitations and prohibitions of the Federal Election Campaign Act. The basis for this conclusion is contained in the opinion:

"Because the Act and Commission regulations are silent on the method by which a municipality raises its revenue (as distinct from its payments to commercial vendors who furnish facilities and services for a Presidential nominating convention), and in light of the fact that Dallas has traditionally raised governmental revenue for these kinds of purposes in this matter (i.e. private donations) the Commission concludes that nothing in the Act or Commission regulations would preclude Dallas from utilizing the described Convention Fund to finance municipal payment for facilities and services, such as those described in 11 CFR 9008.7(b)(2), with respect to the 1984 Republican Presidential Nominating convention."

I am concerned that this rationale may be construed so as to sanction virtually any revenue-raising procedure, including broad appeals to private sources. Instead, I would have preferred a statement making reference to such factors as the prohibition contained in the Texas Constitution against the use of publicly-raised funds for such purposes, the absence of earmarking by which donors could designate the specific conventions toward which they wish to have their contributions applied, the permanent nature of the fund and its availability as a means of attracting to Dallas not only the 1984 Republican National Convention but also other conventions both before and after the 1984 convention, and the

fact that representatives of the City of Dallas will completely control the expenditure of such promotional funds.

I believe that the procedures established by the City of Dallas will sufficiently insulate the prospective donors from the use of their donations for political purposes so that this practice would not be deemed political contributions which, in the case of corporations, or unions would be prohibited under the Act. It was factors such as these which persuaded me to support the conclusion contained in Advisory Opinion 1982-27.